

1 THE HONORABLE JOHN C. COUGHENOUR
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7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 CHARLES McBROOM, on behalf of
11 himself and all others similarly situated,

12 Plaintiff,

13 v.

14 SYNDICATED OFFICE SYSTEMS,
15 LLC d/b/a CENTRAL FINANCIAL
16 CONTROL,

Defendant.

CASE NO. C18-0102-JCC

ORDER

17 This matter comes before the Court on Defendant Central Financial Control's motion for
18 summary judgment (Dkt. No. 14). Having thoroughly considered the parties' briefing and the
19 relevant record, the Court finds oral argument unnecessary and hereby GRANTS the motion for
20 the reasons explained herein.

21 **I. BACKGROUND**

22 On April 4, 2017, Plaintiff Charles McBroom received medical treatment at Franciscan
23 Medical Group West Seattle ("FMG West Seattle") and incurred a balance of \$218.64. (Dkt.
24 Nos. 1-1, 8, 15.) FMG West Seattle transacts business and is commonly referred to as "FMG
25 West Seattle." (Dkt. No. 15.) FMG West Seattle is a medical clinic located at 4550 Fauntleroy
26 Way S.W., Suite 100, Seattle, Washington 98126. (*Id.*)

1 The Court, pursuant to Federal Rules of Evidence 201(b)(2) and 201(c)(2), takes judicial
2 notice of the following relevant facts: Franciscan Medical Group is registered as a non-profit
3 corporation incorporated in Washington (Dkt. Nos. 19, 19-1, 28); Franciscan Medical Group is
4 “a regional network of primary-care and specialty-care clinics, physicians and other health
5 providers” (Dkt. No. 29 at 34); and that although Franciscan Medical Group operates as the
6 wholly-owned subsidiary of Franciscan Health System d/b/a CHI Franciscan Health, Franciscan
7 Medical Group may be entitled to retain remuneration for services provided in its name (Dkt.
8 No. 28) (citing *State of Washington v. Franciscan Health, et al.*, Complaint, No. 17-05690 at 1,
9 7, 11, 18 (W.D. Wash. Aug. 31, 2017)).

10 FMG West Seattle is a client of Defendant Central Financial Control. (Dkt. No. 15.) After
11 Plaintiff failed to pay for the medical treatment he had received, FMG West Seattle placed
12 Plaintiff’s account with Defendant for collection. (*Id.*) On October 2, 2017, Defendant sent a
13 letter to Plaintiff notifying him of the debt. (Dkt. No. 1-1.) The letter provided in part that the
14 relevant “facility” was “FMG West Seattle,” and listed an account number, patient reference
15 number, the date of service, and an account summary with the account’s current balance. (*Id.*)
16 The letter stated that Defendant is a debt collector, and that, “Your account(s) has been placed
17 with Central Financial Control for collection of the current balance above.” (*Id.*) The letter
18 informed Plaintiff that if he was presently unable to pay he could be eligible for a payment
19 arrangement or financial assistance. (*Id.*) The letter provided Defendant’s phone number. (*Id.*)
20 The letter provided a second phone number and the address for a webpage of CHI Franciscan
21 Health’s website “for more information about financial assistance.” (*Id.*)

22 Plaintiff sued Defendant for violations of the Fair Debt Collection Practices Act
23 (“FDCPA”), 15 U.S.C. § 1692. (Dkt. No. 1.) Plaintiff alleges that Defendant violated the FDCPA
24 by failing to clearly identify the current creditor of the debt and by failing to meaningfully
25 convey the name of the creditor to whom the debt was owed. (*Id.* at 11–15.)

26 Defendant moves for summary judgment seeking dismissal of Plaintiff’s FDCPA claims.

1 (Dkt. No. 14.)

2 **II. DISCUSSION**

3 **A. Summary Judgment**

4 **1. Summary Judgment Standard**

5 “The court shall grant summary judgment if the movant shows that there is no genuine
6 dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R.
7 Civ. P. 56(a). In making such a determination, the Court must view the facts and justifiable
8 inferences to be drawn therefrom in the light most favorable to the nonmoving party. *Anderson v.*
9 *Liberty Lobby, Inc.*, 477 U.S. 242, 255 (1986). Once a motion for summary judgment is properly
10 made and supported, the opposing party “must come forward with ‘specific facts showing that
11 there is a *genuine issue for trial.*’” *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S.
12 574, 587 (1986) (emphasis in original) (quoting Fed. R. Civ. P. 56(e)).

13 **2. FDCPA Legal Standard**

14 One of the purposes of the FDCPA is to “eliminate abusive debt collection practices by
15 debt collectors.” 15 U.S.C. § 1692(e). The FDCPA is a remedial statute, which courts are
16 required to interpret liberally. *Clark v. Capital Credit & Collection Servs., Inc.*, 460 F.3d 1162,
17 1176 (9th Cir. 2006). “An FDCPA plaintiff need not even have actually been misled or deceived
18 by the debt collector’s representation; instead, liability depends on whether the *hypothetical*
19 ‘least sophisticated debtor’ likely would be misled.” *Tourgeman v. Collins Fin. Servs., Inc.*, 755
20 F.3d 1109, 1117–18 (9th Cir. 2014) (emphasis in original). The least sophisticated debtor
21 standard is lower than examining whether a reasonable debtor would be deceived or misled by
22 particular language. *Swanson*, 869 F.2d at 1227. But “although the least sophisticated debtor may
23 be uninformed, naïve, and gullible, nonetheless her interpretation of a collection notice cannot be
24 bizarre or unreasonable.” *Evon v. Law Offices of Sidney Mickell*, 688 F.3d 1015, 1027 (9th Cir.
25 2012). When all relevant facts are undisputed, “the application of the FDCPA to those facts is a
26 question of law.” *Sheriff v. Gillie*, 136 S.Ct. 1596, 1063 n. 7 (2016).

1 3. Genuine Dispute of Material Fact

2 The parties do not dispute the contents of Defendant's October 2, 2017 letter. In his
3 initial response to Defendant's motion for summary judgment, Plaintiff contended that additional
4 discovery was required to determine "the identity of Plaintiff's creditor." (Dkt. No. 22.) The
5 Court granted Plaintiff's request for a continuance to allow for additional discovery to determine
6 "(1) CHI Franciscan Health's role with respect to Plaintiff's alleged debt, (2) CHI Franciscan
7 Health's relationship, if any, with Defendant, (3) CHI Franciscan Health's relationship with
8 FMG West Seattle, and, ultimately (3) [sic] whether CHI Franciscan Health is the true creditor of
9 Plaintiff's alleged debt." (*Id.*; Dkt. No. 31.)

10 Defendant has filed two declarations that establish the following relevant facts:
11 Franciscan Medical Group is a medical creditor and provider within CHI Franciscan Health's
12 nonprofit healthcare network; Franciscan Medical Group "operates a medical clinic in West
13 Seattle . . . ("FMG-West Seattle");" Plaintiff "obtained medical services from FMG-West Seattle
14 resulting in a balance owed of \$218.64;" "FMG, and no other entity, is entitled to payment of the
15 \$218.64 owed from Plaintiff for the medical services received by him from FMG-West Seattle;"
16 FMG West Seattle is a client of Defendant; and FMG West Seattle placed Plaintiff's account
17 with Defendant for collection. (Dkt. Nos. 15, 32; *see also* Dkt. No. 37) (excerpt of Plaintiff's
18 patient records showing treatment at "FV4," the facility code for FMG West Seattle).¹

19 These facts establish that Franciscan Medical Group, not CHI Franciscan Health or
20 Defendant, is entitled to payment of Plaintiff's debt. (Dkt. No. 32.) Thus, CHI Franciscan
21 Health's role with respect to the debt and its relationships, if any, with Defendant or FMG West
22 Seattle are not relevant to the resolution of this case. Further, FMG West Seattle, the facility at
23 which the medical services underlying Plaintiff's debt were provided, is Defendant's client. (Dkt.
24

25 1 Plaintiff does not address the declaration of Franciscan Medical Group (Dkt. No. 32)
26 after the continuance of Defendant's motion for summary judgment in any of his filings. (*See generally* Dkt. No. 35.)

1 No. 15.) Read together, the declarations establish that Franciscan Medical Group is entitled to
2 payment, as opposed to CHI or Defendant, and that FMG West Seattle, the location at which the
3 medical services underlying the debt were provided, is the creditor on whose behalf Defendant
4 sent the letter to Plaintiff.²

5 Plaintiff contends that “FMG West Seattle” is not an entity or a registered legal name,
6 and thus cannot be the true identity of the creditor. (*See* Dkt. No. 35 at 6–7.) But FMG West
7 Seattle is the name by which the facility is commonly referred to and transacts business as, and
8 Plaintiff has not asserted that FMG West Seattle used a different name when it provided him
9 with the medical services underlying the debt. (*See generally* Dkt. Nos. 1-1, 35.) Similarly,
10 although Plaintiff cites Washington law requiring those who conduct business in Washington to
11 register a trade name, he has not cited authority standing for the proposition that a creditor
12 cannot satisfy the requirements of the FDCPA by using the name the consumer is most familiar
13 with when sending a collection notice. (*See* Dkt. No. 35 at 7) (citing Wash. Rev. Code §
14 19.80.010). Therefore, Plaintiff’s arguments regarding the naming convention used by the letter
15 are insufficient to rebut the assertions in Defendant’s declarations establishing that FMG West
16 Seattle is the creditor of Plaintiff’s account.

17 Plaintiff has filed an opposing declaration of his attorney, who states that Plaintiff served
18 CHI Franciscan Health and Franciscan Medical Group with subpoenas seeking documents
19 evidencing agreements between them and Defendant regarding “debt collection of accounts from
20 1/24/17 to present,” and that the subpoena to Franciscan Medical Group also sought documents
21 relating to its legal name or other names it uses to identify itself. (Dkt. No. 36.) Email responses
22 from the entities stated that they did not have responsive documents, and directed Plaintiff’s
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24 ² The Court notes that Defendant’s first declaration provided that FMG West Seattle is
25 the client on whose behalf Defendant sent the letter to Plaintiff (Dkt. No. 15), and the second
26 declaration establishing that FMG was entitled to payment as opposed to CHI Franciscan Health
or Defendant was submitted following the continuance to determine CHI Franciscan Health’s
role with regard to Plaintiff’s debt (Dkt. No. 32).

1 counsel to search the Washington Secretary of State's website for Franciscan Medical Group's
2 legal corporation name and registration. (Dkt. Nos. 36-2, 36-4.) Plaintiff asserts that the entities'
3 responses to the subpoenas demonstrate that neither can produce documents showing that it
4 placed Plaintiff's account with Defendant for collection. (Dkt. No. 35 at 8.)

5 As discussed above, Defendant's declarations clearly establish that CHI Franciscan
6 Health is not the creditor entitled to payment of Plaintiff's account, and therefore there is no
7 reason for it to have documents responsive to Plaintiff's subpoena. (Dkt. No. 32.) Although
8 Defendant's declaration from Franciscan Medical Group broadly states that Franciscan Medical
9 Group is entitled to payment of Plaintiff's debt incurred at its clinic FMG West Seattle, as
10 opposed to CHI Franciscan Health or Defendant (Dkt. No. 32), Defendant's declaration from its
11 employee states that FMG West Seattle is its client. (Dkt. No. 15.) Plaintiff does not explain why
12 FMG West Seattle was not served with a subpoena requesting the same responsive documents.
13 Thus, Plaintiff has not demonstrated that there is a genuine issue of material fact for trial, as he
14 has not contravened Defendant's declarations establishing that FMG West Seattle is the creditor
15 on whose behalf Defendant sent the letter to Plaintiff.

16 4. Judgment as a Matter of Law

17 a. *15 U.S.C. § 1692g(a)(2)*

18 “The term ‘creditor’ means any person . . . to whom a debt is owed, but . . . does not
19 include any person to the extent that he receives . . . transfer of a debt in default solely for the
20 purpose of facilitating collection of such debt for another.” 15 U.S.C. § 1692a(4). “[A] debt
21 collector shall . . . send the consumer a written notice containing . . . the name of the creditor to
22 whom the debt is owed.” 15 U.S.C. § 1692g(a)(2). Simply including this information in the
23 written notice is not sufficient; the information must be “effectively conveyed to the debtor.”
24 *Swanson v. Southern Oregon Credit Serv., Inc.*, 869 F.2d 1222, 1225 (9th Cir. 1988).

25 In the section of the letter containing information about the relevant account, FMG West
26 Seattle, named as the “Facility,” is the only named entity. (Dkt. No. 1-1.) The letter goes on to

1 list a single account number, a single patient reference number, the date of service, and an
2 account summary with the current balance. (*Id.*) The lack of another entity’s name in association
3 with the account in this section would notify the least sophisticated debtor that FMG West
4 Seattle is the creditor to whom the outstanding balance is owed. Further, a later section of the
5 letter states that the amount owed may vary depending on health insurance or other coverage for
6 medical services “received from FMG West Seattle; the same medical services that form the
7 basis of this debt.” (*Id.*) The fact that the letter describes FMG West Seattle as “Facility” in this
8 section, rather than “Creditor,” is insufficient to render the identity of the creditor unclear in light
9 of the clear association between FMG West Seattle and the details of the debt provided in the
10 letter.

11 The body of the letter states that Defendant is a debt collector, and that the account has
12 been “placed” with Defendant “for the collection of the current balance above.” (Dkt. No. 1-1.)
13 In a later section, the letter states, “Balance Assigned to [Defendant]: \$218.64.” (*Id.*) The letter
14 also directs Plaintiff to make payments to Defendant, rather than FMG West Seattle. (*Id.*) This
15 language does not suggest that Defendant is the owner of the account. Rather, it indicates that
16 Defendant is working as a debt collector on behalf of the creditor, and is seeking to collect the
17 outstanding balance of the account.

18 Also, the section of the letter concerning a payment arrangement and accessing
19 information about financial assistance directs Plaintiff to contact Defendant via phone to
20 determine if he qualifies for a payment arrangement. (*Id.*) It further directs Plaintiff to call a
21 provided phone number or visit a webpage of CHI Franciscan Health’s website “for more
22 information about financial assistance.” (*Id.*) These statements guide Plaintiff to resources
23 intended to help him pay the debt; they do not indicate that either Defendant or CHI Franciscan
24 Health are the creditor. Thus, the sections of the letter concerning Defendant and CHI Franciscan
25 Health do not render the identity of the account’s creditor unclear. Therefore, the Court
26 concludes that Defendant’s letter to Plaintiff did not violate § 1692g(a)(2) as a matter of law.

b. 15 U.S.C. § 1692e

2 “A debt collector may not use any false, deceptive, or misleading representation or means
3 in connection with the collection of any debt.” 15 U.S.C. § 1692e. In the Ninth Circuit, when
4 analyzing claims arising under 15 U.S.C. § 1692e the Court is “not concerned with mere
5 technical falsehoods that mislead no one, but instead with genuinely misleading statements that
6 may frustrate a consumer's ability to intelligently choose his or her response.” *Donohue v. Quick*
7 *Collect, Inc.*, 592 F.3d 1027, 1034 (9th Cir. 2010). “[I]t is well established that ‘[a] debt
8 collection letter is deceptive where it can be reasonably read to have two or more different
9 meanings, one of which is inaccurate.’” *Gonzales v. Arrow Fin. Servs., LLC*, 660 F.3d 1055,
10 1062 (9th Cir. 2011) (quoting *Brown v. Card Serv. Ctr.*, 464 F.3d 450, 455 (3d Cir. 2006)).

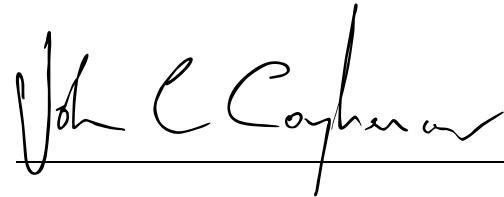
11 Plaintiff claims that the letter could be read as conveying that the creditor is Defendant,
12 FMG West Seattle, CHI Franciscan, or an unnamed debt buyer, and therefore violates 15 U.S.C.
13 § 1692e. (Dkt. No. 35.) As discussed above, the letter lists FMG West Seattle as the “Facility,”
14 and provides an associated account number, patient reference number, date of service, and
15 current balance. (Dkt. No. 1-1.) No other entity is listed in this section of the letter. (*Id.*) Thus,
16 the letter clearly indicates that FMG West Seattle is the creditor of the account.

17 The body of the letter identifies Defendant as a debt collector, and states that Plaintiff's
18 account has been "placed" with Defendant for collection. (*Id.*) The letter does not indicate that
19 ownership has been transferred to Defendant, and thus cannot be reasonably read as identifying
20 Defendant as a possible creditor. Similarly, although the letter directs Plaintiff to a webpage of
21 CHI Franciscan Health's website, it is for the purpose of obtaining "more information about
22 financial assistance." (*Id.*) In light of this clear limitation, the letter cannot be reasonably read as
23 identifying CHI Franciscan Health as a potential creditor. Thus, although the letter includes the
24 names of three separate entities, it can only be reasonably read to identify FMG West Seattle as
25 the creditor of Plaintiff's debt. *Gonzalez*, 660 F.3d 1062. Therefore, the Court concludes that the
26 Defendant's letter does not violate 15 U.S.C. § 1692e as a matter of law.

1 **III. CONCLUSION**

2 For the foregoing reasons, Defendant's motion for summary judgment (Dkt. No. 14) is
3 GRANTED. Plaintiff's claims are DISMISSED with prejudice.

4 DATED this 28th day of November 2018.

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8 John C. Coughenour
9 UNITED STATES DISTRICT JUDGE